The Roaring Twenties

Life in the US from 1920 to 1930 seems as though it must have been lively and carefree. The nation was at peace. The standard of living was rising through much of the period, and Americans seemed to have more than enough money. The 1920s proved to be a remarkable period in American history, but it was also a period of contradictions.

For many people it was a time of fun and a new feeling of personal freedom. When they were not dancing to popular music, they were taking to the road in their new cars or finding other ways to enjoy themselves. The decade’s nickname, the Roaring Twenties, is still used to suggest the seemingly free and easy life that Americans lived then.

On the one hand, America’s manufacturing industry boomed, and the US enjoyed the kind of prosperity that made it the envy of Europe. Cars, radios, refrigerators, vacuum cleaners, which were luxuries for the rich in Europe, were everyday items in many American homes.

On the other hand, the affluence of a significant number of Americans was in stark contrast to the poverty of million of others. Moreover, the razzamatazz that fascinated the rest of the world hid a deeply divided society and a history of prejudice, discrimination, racism, and an almost fanatical fear of political extremism that was thinly disguised by the glamorous façade.

These changes made the 1920s the first modern decade. It was the decade that marked the start of a shift from the rural, small-town values of the 19th and early 20th centuries to those of the more urban, industrial, and technological world of today. To some observers though, it was also a decade of greed, excess, and materialism.

For many Americans, October 1929 marked a painful dividing line between prosperity and poverty. However, for many others there was no such distinction, since the 1920s was characterised by poverty, low wages, menial work or irregular employment. This poverty was in existence long before the depression of 1929 and reflected a fundamental maldistribution of income in the US.

THE ECONOMIC BOOM: A JAZZ TALE OF OPULENCE

Between 1921 and 1929, Americans enjoyed a level of economic prosperity which had previously been unknown. During these years, average wage levels rose steadily and, for the first time,
Americans were able to purchase an unprecedented range of consumer goods manufactured by new techniques of mass production.

The 1920s were seen as a decade of unrivalled prosperity. When Calvin Coolidge took office in 1923, the nation was still at peace, and Americans had made it clear that they wanted to remain withdrawn as much as possible from international affairs. For this reason, the focus of Coolidge’s administration was the national economy. By re-electing Coolidge, Americans confirmed that they favoured Harding’s economic policies.

Like Harding, Coolidge favoured a balanced federal budget, lower federal spending, lower taxes, and high tariffs on foreign-made goods. But most important, he created a pro-business climate by adopting a laissez-faire philosophy, the principle that as much as possible the government should leave business alone and rely on the market-place to create prosperity.

This philosophy had both advantages and disadvantages. Under Coolidge, the nation experienced rapid economic growth, the gross national product rose as well as the total income of corporations, and Americans were lured by effective advertising and easy credit into buying the many new and improved products that companies were turning out in ever greater volumes.

Economic statistics meant that the purchasing power of Americans rose steadily. And the industry that epitomised the boom was the motor car industry. The 1920 census highlighted the social changes that fuelled the economic boom. For the first time in American history, more people lived in towns than in the countryside.

Americans wanted to share in the prosperity by buying shares of stock in corporations. This led to an enormous boom in the stock market. The total value of these shares quadrupled during the decade. This created a bubble of inflated stock prices that eventually had to burst. And when it finally did, many investors were wiped out. But in the meantime, a stock market craze afflicted the nation.

The depression in farming continued and industries such as coal, mining, and textile manufacturing were not doing much better. While the gross national product was going up, prices for the products of these industries were falling.

But what were the reasons for the economic boom of the 1920s? Among others, we can cite the following: the size and the economic wealth of the USA, the entrepreneurial spirit and the American Dream, the impact of World War I, technological progress and “Fordism”, new management and selling techniques, government policies, and easy credit and hire purchase.

(a) The size and the economic wealth of the USA. Not only was the population large, but it also had considerable purchasing power. US manufacturers had a large domestic market in which to sell their goods.

The US also had a very effective internal transportation system. Transcontinental railroads were supplemented by the development of a road system in the early 20th century. Roads allowed the newly invented car to provide communication in areas between the railroads.
To fuel the economic growth, the US possessed an abundance of raw materials, which provided the basis for the industrial revolution that the country experienced: coalfields, oil, iron, lead, tin, copper, lumber, and cotton.

(b) The entrepreneurial spirit and the American Dream. Yankee ingenuity had resulted in the invention of the electric light bulb, the sewing machine, the phonograph, and the telephone. Coupled with this was the rugged individualism which encouraged hard work and thrift.

Self-made millionaires such as Andrew Carnegie and John D. Rockefeller epitomised the American Dream. If you worked hard enough, you could be prosperous. This idea led millions to cross the Atlantic in search of wealth. The immigrant population provided hard-working and cheap labour which made industrialisation such a success.

(c) The impact of World War I. Fortunately for the US, its major economic rivals (Britain and Germany) virtually bankrupted themselves fighting in the war. But the US benefited from the war in other ways. The demand for armaments stimulated the growth of the American industry. The US emerged from the war as the world’s major industrial power.

(d) Technological progress and “Fordism”. The centre for the second industrial revolution was Detroit (Michigan). It was here that Henry Ford revolutionised car manufacture by introducing new industrial methods which led to their mass production.

Firstly, he took the work to the man rather than taking the man to the work. The assembly line, always working at the same pace, meant that the rate of production could be set. Secondly, Ford concentrated production on one car type until the mid-1920s, the Model “T”.

And finally, he introduced the five-dollar-a-day rate for car workers, which was substantially above rates offered elsewhere. But in return, workers were not expected to join trade unions and they were expected to follow the company’s strict policies on assembly line working.

The federal government also aided the development of the industry with the Federal Highways Act of 1921 which gave the government responsibility for building roads. During the 1920s, it built on average 10,000 miles of road per year.

By the beginning of the 20th century, technological innovation had brought American industry to the point of making America the world’s leading industrial nation. The assembly line speeded up manufacturing, offering Americans industrialists the chance to make large profits.

(e) New management and selling techniques. Alongside “Fordism” came the development of business management. Frederick W. Taylor spread the idea of ‘scientific management’, that all aspects of the manufacturing process should be analysed scientifically and that an efficient system should be adopted which would get the greatest level of productivity out of workers.

However, the most important development in manufacturing management was the growth and development of the large corporation. Large corporations were able to benefit from economies of scale and integration.
The 1920s was also the decade that saw the rapid growth of advertising and marketing. These were aided at the same time by the technological developments of the radio, the motor car and the cinema.

(f) Government policies. Throughout the 1920s, the federal government, supported by Congress, helped to create the conditions for a business boom. The Republican Party was associated with laissez-faire economics by the 1920s.

To a large extent, American economic prosperity in the 1920s was underpinned by the thinking of the Republicans. Whilst firmly upholding the idea of minimal government, Republicans also believed that it was their role to create the economic climate in which business, industry, and the whole nation could prosper.

In fact, the Republican administrations went out of their way to aid business on occasion. Of more importance were the tax-cutting policies of Republican administrations. In spite of tax cuts, the rapid growth in business meant that the Treasury had a surplus in the budget for the 1920s. Businesses also benefited from state and congressional support against trade unions.

(g) Easy credit and hire purchase. New technological and management techniques allowed American manufacturers to produce more goods at a lower unit cost per item. However, an economic boom would not have taken place if there had been a lack of domestic demand to buy these goods.

Part of the answer was an increase in the average wage of Americans during the decade. This was a time of low inflation. There was also the development of hire purchase, which allowed consumers to buy goods at a small proportion of the price. They could then pay off the rest of the price, and a small rate of interest in either weekly or monthly instalments. Encouraged by new methods of advertising, consumers bought a wide range of goods by this method.

The banks were eager to lend money not only to foreign governments, but also to business and individuals. This extension of credit was at low interest rates. Cheap credit allowed the American people to increase significantly their spending power. This cheap money enabled Americans to begin and to develop businesses with relative ease. It also provided them with the means to purchase the goods they wanted. Together, these contributed to a major economic boom.

THE ECONOMIC DOWNFALL: A JAZZ TALE OF MISERY

Labels such as the Roaring Twenties, the Jazz Age, or the Prosperity Decade suggest that the 1920s witnessed profound economic changes, but they too can be misleading by implying that all of American society shared equitably in a sustained prosperity. The cruel fact is that the decade began with economic instability and ended in a catastrophic depression.

Immediately after World War I, Americans went on a buying spree. Industrial production in the 1920s increased so dramatically that it is known as the era of the second industrial revolution. Not only did industrial wages, salaries, profits, and dividends rise substantially, but consumer credit and the consumption level of the average American family also soared to unprecedented heights.
But despite widespread prosperity and popular veneration of industrial and business leaders, a large segment of the American population remained throughout the 1920s in an economically depressed condition.

Whilst the American economy was undoubtedly booming in the 1920s, not everyone shared in the affluence. Those who benefited most were businessmen and those who could afford to buy shares whose value trebled between 1923 and 1925.

So, whilst the number of millionaires increased, this increase represented a widening gap between the rich and the poor. There were significant differences between the wealth of the rich, middle-class Americans and the rest who made up over 50% of the population. For those at the bottom life could be grim.

Nonetheless, for a sizeable percentage of the population there had never been years of plenty. The alleged prosperity of the 1920s did not reach nationwide and to all groups. There were certain groups which skipped this prosperity. Thus, there are certain questions worthy of being settled down at this point:

**Which groups missed out the prosperity of the 1920s?**

A) Farmers. Perhaps the unequal distribution of wealth is best illustrated in farming. The situation of many of them was made worse by their attempts to find a solution to these problems. While mortgages were easy to obtain from banks willing to offer cheap loans, the farmers had virtually no chance of repaying them.

Most American farmers did not share in the general prosperity of the 1920s. Indeed for many farmers, the decade was marked by poverty, hardship, and an endless struggle against debt. Per capita farm income was one-third of the national average.

Over-production was at the centre of farmers’ difficulties. Better-quality seeds, new tractors and generally high levels of borrowing to pay for new machinery meant that the 1920s witnessed a steady increase in farm output.

The problem of over-production was exacerbated by the sudden fall in demand after 1929. Many farmers could not appreciate a connection between their own struggle and the wheeling and dealing of the stock market.

However, the urban demand for farm products rested on the ability of the urban workers to purchase food. Although many city dwellers were desperate for food, they could no longer afford to pay good prices. Therefore, conditions in the countryside were actually made worse as a result of the economic crash.

This resulted in farm produce being sold at prices well below the actual cost of production and formed the context for a continuing drift from the countryside to the cities. The total number of farms declined between 1920 and 1930 for the first time in American history.
The economic difficulties faced in agriculture created a mood of rural activism which led many farmers to form a bloc to press their interests at a national level. Their efforts contributed to the passage of favourable legislation, such as The War Finance Corporation, The Packers Stockyard Act, or The Emergency Tariff Act (1921), The Farm Co-operatives Act (1922), The Intermediate Farm Credit Act (1923), and The McFadden Banking Act (1927).

All the agricultural measures were based upon the assumption of full recovery in farm prices. When that recovery did not occur, then farm leaders moved further along the road toward advanced governmental support of agriculture.

During the war, to maximize profits, more and more land had been brought into production. As demand fell after the war, wartime production levels were maintained, resulting in falling prices for the food produced. Many farmers reached the point where it was unprofitable to harvest their crops.

B) African-American population. The reflection of poverty was especially notable amongst the African-American population. During the war years, the massive drift of the African-American population into the cities had transformed what had been fashionable areas into poverty-stricken ghettos. They had been lured there by lucrative wartime jobs, but this was short-lived. Poverty was acute in the Harlem and Manhattan ghettos and those of Chicago and Philadelphia.

During the decade, most African-Americans continued to live in the old south. There they led a poverty-stricken existence, mainly as sharecroppers. They occupied the lowest economic position in a relatively poor region of the country. The existence of segregation and, as result, poor education reinforced the poor social and economic position of African-Americans.

However, during the decade African-Americans migrated north to cities such as Chicago and New York. By 1930, African-Americans were beginning to occupy industrial and manufacturing jobs. Even in the north they tended to get the worst-paid jobs. This was due to a mixture of racism and the poor education received by the majority of African-Americans.

The African-Americans were thus forced to do menial labour for very poor wages. They mostly lived lives of misery in total poverty. Even in the northern states, decent jobs went to the white population and many black families were forced to lived in ghettos in the cities in very poor conditions.

In the twenties, the black population did not share in the economic boom and prosperity. Their only real outlet was jazz, dancing, though this was done to entertain the richer white population, and sports, especially boxing.

The experience of the majority of African-Americans in the post-war period serves to underline the fact that for many the decade was by no means a period of prosperity. The gradual movement over this period of more than six million African-Americans from the rural south to the urban north came to be known as “the great migration”.

C) Women. This period saw a gradual increase in the rise of working women. Although there was an increase in the number of jobs carried out by women, there was little improvement in terms of the quality of their employment opportunities or in their pay.
For many families in the twenties, women played a role as supplementary wage-earners similar to that played by children in earlier generations. Households which relied on the woman’s wage without an adult-male bread-winner endured permanent poverty.

Most women remained in poorly paid, low-status, menial occupations. With the exception of teaching and nursing, women were still largely absent from the most common professions. On a more positive note, the increasing availability of electrical household appliances relieved them of some of the physical burden of maintaining a home.

D) Trade Unionists. While big business prospered in the 1920s, trade unionism declined. Union membership had grown during World War I, but it then declined during the 1920s. The Red Scare of 1919 and the Palmer Raids of the 1920s led many workers to avoid joining unions.

A more important reason was the action of big business, which was usually anti-union. Union membership was either discouraged or employers were forced to sign “yellow dog” contracts in which employees agreed not to strike.

Big business was supported by both the republican government and the judiciary system. Between 1922 and 1925, the US Supreme Court passed several anti-union judgements making it difficult both for unions to strike and for the creation of a minimum wage.

E) Native Indian Americans. The latter period of the 19th century had seen them systematically stripped of their land, their culture, and their rights. Many Indians endured truly miserable conditions in squalid reservations. Their difficulties were reflected in high rates of alcoholism and crime, low life expectancy, and high infant mortality.

What was done to help the poor?

In an age of such obvious national prosperity, it may appear surprising that poverty could be tolerated. It might also be reasonable to expect that some of the wealth that was being created would be used for poor relief in some form. But this did not happen.

In the early twenties, the agrarian and reforming lobby of both parties in Congress combined in an effort to relieve the suffering of the farmers. If anything, however, government action only aggravated the situation. The failure of the federal government to help farmers out of poverty deepened the divisions between the rural and urban areas of the country.

Moreover, laissez-faire politics prevented any government intervention to help industrial workers on inadequately low wages. Trade unions, handicapped by legislation, were helpless nor did they have the funds to provide any kind of relief for their workers.

Some states established departments of public or social welfare and increased their spending on welfare to the benefit of the elderly and young mothers. And the impact of these actions was rather limited.
The poor were helped by private charity. The poor were such a diverse group ethnically and confined to slum areas of towns and cities, that they were incapable of organizing to form self-help groups. They were entirely dependent on social workers or others to bring them relief.

**Why was so little done to help the poor?**

The answer to this question says much about the values and attitudes of American society in the 1920s. Firstly, the Republican administrations believed that social responsibility was not the job of the state except in the fields of law and order and national defence.

Intervention to provide relief from poverty was beyond the commonly-held concept of the role of government. Nor was it prepared to direct others to reform practices or make provision, hence its reluctance to interfere with the direction and operation of business. Intervention was also perceived as a contravention of the freedom of individuals to provide for themselves.

As the prosperity of the twenties increased, there was a confident optimism that the USA was on the verge of permanently solving the problem of poverty. Consequently, there was no need for intervention.

By the twenties, there was a deeper understanding of the causes and effects of poverty, largely as a result of investigative journalism. Social workers and activists were pressing for reform. However, they aspired to changes that would put an end to poverty.

Poverty kept the poor in their place and where the poor were African-Americans, Catholics, and Jewish immigrants, this was regarded as entirely desirable. Sadly, there was a resigned acceptance amongst many poor people that poverty was inevitable and their own poverty was their lot in life.

**How had this come about to be possible?**

The high profits created by gains in productivity had been paid out to investors whilst the workers received comparatively small wage increases. There were certain weaknesses in the American economy which were to have important consequences in the late 1920s and early 1930s. The policy of rugged individualism, in which all Republican presidents believed, meant little or no welfare support for the poor and a laissez-faire approach to such issues as safety at work.

This concentration of potential buying power in the hands of a relatively small proportion of the population was to have seriously adverse effects on the domestic market for goods produced in American factories.

Only the well-off could afford to buy. Consequently, as output increased, it was not matched by a proportionate increase in consumer buying power. The only way that the less wealthy could manage to buy mass-produced goods was by taking advantage of credit facilities.

In the process, large sections of the population borrowed far in excess of what they could realistically afford. Their ability to repay depended entirely on their wages. 80% of Americans had no savings at all at this time.
CONCLUSIONS

The decade 1920-1929 was a period of rapid economic development that brought the standard of living of the American people to a level hitherto unknown in history. After a short economic recession following World War I, the decade was associated with lively economic growth. The US became the world’s first consumer society.

The prosperity of the twenties was more urban than general, more confined to certain industries than to others. More dangerous still was the fact that the resources of commercial banks were used to finance a runaway speculative boom in real estate and the stock market.

Actually, the post-war boom of 1910-20 was more apparent than real, except in agriculture. Yet the decline during 1920 was not precipitous in manufacturing or trade, nor was it marked by any large number of business failures. The greatest shock was the collapse in farm prices that reached panic proportions during the autumn.

The 1920s were nonetheless a time of marked advancement on most economic fronts. To begin with, there was a steady increase in the wealth and incomes of the American people during this decade.

The economic boom created thousands of new jobs in industrial and commercial centres in the north. Women, who had received the right to vote in 1921, took many of these new jobs such as secretaries and telephonists.

These generalizations illustrate the overall economic progress of the twenties but fail to indicate internal maladjustments that made the prosperity of the period ephemeral for large elements. As we have seen, farmers suffered a severe deflation in 1920-21. Despite some recovery in prices from the depression level of 1921, farmers never recovered the fine balance relative to other groups.

Although the 1920s are associated with economic prosperity, many social groups and areas missed out. African-Americans were treated as second-class citizens across the country, and they usually received the lowest-paid jobs.

In contrast, the condition of most workers in industry substantially improved in almost all aspects during the twenties. A basic stimulant of prosperity was expansion in the construction industry. Manufacturing enjoyed an even more significant expansion during the prosperity decade.

Thus, what was the economic state of the nation on the eve of the Great Depression? On the surface, the American people had never seemed so economically healthy. And yet their prosperity was so unevenly divided that it could not long continue without some readjustment.

The result was that by the end of the prosperity decade, such a large portion of the national income was being funnelled off at the top by receivers in restricted geographical areas that the producers who worked on America’s assembly lines and farms were finding it difficult to purchase what they produced.
Underlining the increased industrial output of the 1920s was a revolution in industrial management and technology that made possible the production of larger numbers of units by a smaller number of workers at a lower cost.

Of all the causes of America’s industrial development in the 1920s, the technological revolution was most basic and most significant, for without the techniques it afforded the mass production age could never have come.

Another important component of the technological revolution was industrial research, which marked the first effort to stimulate and organize research on a national scale. By 1920, many corporations had established independent research laboratories.

The industrial growth of the period was accompanied by a rapid extension of the banking and financial resources of the American people. However, there were forces at work changing the character of the banking structure and undermining its foundations.

**The Roaring Twenties Famous Quotes**

"The primary object of the corporation is to make money, not just to make cars."
– Alfred Sloan, president of General Motors.

"The business of America is business."
– Calvin Coolidge, president.

“It is my calculations that at least a million dollars a day is paid in graft and corruption to federal, state, and local officers. Such a condition is not only intolerable, but it is demoralizing and dangerous to organized government.”
– Fiorella La Guardia, politician.

"These men of many nations must be taught American ways, the English language, and the right way to live."
– Henry Ford, president of Ford Motor Company.

"Americans can have any kind of car they want and any color they want as long as it’s a Ford, and as long as it’s black."
– Henry Ford, president of Ford Motor Company.

"We in America today are nearer to the final triumph over poverty than ever before in the history of any land... we shall soon, with the help of God, be in sight of the day when poverty will be banished from this nation."
– Herbert Hoover, president.

"I have no problem with my enemies, but my friends. They are the ones that keep me walking the floors at night."
– Warren Harding, president.
"Less government in business and more business in government."
– Warren Harding, president.

"Wealth is the chief end of man. The man, who builds a factory, builds a temple. The man, who works there, worships there."
– Warren Harding, president.

Bibliografía


Análisis de los presupuestos culturales y pedagógicos sobre la discapacidad


El término discapacidad ha sufrido a lo largo de los años una gran evolución. Algunos términos empleados referidos a las alteraciones física y/o sensoriales son los siguientes: lisiados, tullidos, impedidos, inútiles, inválidos, desvalidos, mutilados, minusválidos, deficientes, incapacitados, discapacitados.